

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA

In re

Case No. 14-20017

FREEEDOM INDUSTRIES, INC.,

Chapter 11

Debtor in Possession.

ORDER APPROVING DEBTOR'S AMENDED DISCLOSURE STATEMENT;
SETTING TIME TO FILE VOTES ON CHAPTER 11 PLAN;
SETTING TIME TO FILE OBJECTIONS TO CONFIRMATION OF CHAPTER 11 PLAN;
SETTING HEARING ON CONFIRMATION OF CHAPTER 11 PLAN

On July 28, 2015, the Court held a hearing to consider approval of the Amended Disclosure Statement filed by the above Debtor and the objection thereto filed by Arcadis U.S. Inc.. At the hearing, the Court raised concerns regarding the disclosure statement and Ch. 11 plan. Thereafter, on August 7, 2015, the Debtor filed a modified amended disclosure statement and plan of liquidation that addressed some of the Court's concerns. The Court, by Order dated August 10, 2015, sustained the Arcadis objection and required the Debtor to amend the plan and disclosure statement to conform with its Order. On August 12, 2015, the Debtor submitted another modified amended plan and disclosure statement that was consistent with the Court's August 10, 2015, order. On August 14, 2015, interested party, the West Virginia Department of Environmental Protection ("DEP"), filed a motion to alter or amend the August 10, 2015, Order. On August 25, 2015, the Debtor filed a stipulation that resolved the issues raised in Arcadis' objection to the Amended Disclosure Statement along with DEP's objections to the Court's order sustaining that objection. The Court finds that modifications to the Amended Disclosure Statement up to and including the August 12, 2015, modified Amended Disclosure Statement and including such modifications as contemplated in the August 25, 2015, stipulation (hereafter collectively referred to as the "Modified Amended Plan and Disclosure Statement") are relatively minor in nature and relate primarily to parties who are active in the case and who have been advised of their treatment. Accordingly, the Court finds that the July 28, 2015, hearing was applicable to the Modified Amended Plan and Disclosure Statement and no further hearing on the Disclosure Statement is necessary as the disclosure statement now contains sufficient information to enable creditors to make an informed judgment about the Debtor's Chapter 11 Modified Amended Plan of Reorganization.

With respect to the Modified Amended Plan and Disclosure Statement the Court notes that it was heavily negotiated and has received overwhelming support of the active participants. While the Court has expressed concerns regarding matters in this case, the Court finds that it is in the interest of all parties (especially spill claimants) to notice the Modified Amended Ch. 11 Plan on the terms outlined below and to allow parties in interest to vote to determine the fate of this

Plan. Moreover, the resolution of this case will allow other, non-bankruptcy proceedings, which likely will have a much larger impact on many parties in interest to move forward. However, the Court finds that the Modified Amended Plan and Disclosure Statement to be so lengthy and complex, that it is likely to be of no meaning to the majority of parties in the case. Additionally, the costs associated with the distribution of that much documentation to that many persons would significantly erode the funds available to be distributed to the parties in interest. Instead, the Court hereby approves the "Freedom Industries, Inc. Bankruptcy Summary Overview of the Third Modified Amended Plan of Liquidation Dated August 12, 2015 and Third Modified Amended Disclosure Statement Dated August 12, 2015" that was filed by the Debtor on August 28, 2015" (hereinafter referred to as "Summary of Plan and Disclosure Statement"), and authorizes Counsel for the DIP to distribute to all parties in interest only the Summary Of Plan and Disclosure Statement and a copy of this Order which assures all parties that the Summary Of Plan and Disclosure Statement adequately describes the terms, facts, and law one needs for submitting a ballot. Thus, the Court specifically FINDS that in the context of this case and understanding the general creditor body, the Summary of Plan and Disclosure Statement contains adequate information and is approved as the form of disclosure statement in this case pursuant to 11 U.S.C. § 1125(c). The Court further Orders and authorizes the DIP to post on the Court's website, www.wvssb.uscourts.gov, and a website selected by the Counsel for the Unsecured Creditors' Committee, the full and complete Plan and Disclosure Statement, which may be accessed by parties in interest who wish to examine the entire document.

With respect to the confirmation of the Plan, it is

ORDERED AND NOTICE IS HEREBY GIVEN:

1. The Debtor's Modified Amended Disclosure Statement is approved and the Debtor is authorized to solicit creditors' votes on the Modified Amended Chapter 11 Plan of Reorganization.
2. September 28, 2015 is fixed as the last day for filing acceptances or rejections of the Debtor's Modified Amended Chapter 11 Plan of Reorganization. Such acceptances or rejections shall be filed with counsel for the Debtor, MCGUIREWOODS LLP, Attn: Susan Harding, 625 Liberty Avenue, 23rd Floor, Pittsburgh, PA 15222, who shall tabulate the ballots by class and file the original ballots and tabulation not less than two (2) working days prior to the hearing on confirmation.
3. September 28, 2015 is fixed as the last day for filing with the Court, and serving pursuant to Bankruptcy Rule 3020(b)(1), written objections to confirmation of the Debtor's Chapter 11 Plan of Reorganization.
4. September 30, 2015 is fixed as the deadline for the submission of a Report of Balloting, Form of Confirmation Order, and Declaration in support of Plan Confirmation by the Debtor.
5. Counsel for the Debtor shall transmit the following to all creditors and

parties in interest in this case, within seven (7) days of the entry of this Order:

- a. A copy of this Order.
- b. A Summary of the Plan and Disclosure Statement.
- c. The appropriate form for the acceptance or rejection of the Modified Amended Chapter 11 Plan of Reorganization.
- d. The Court allows but does not direct the Debtor to include in the solicitation package documents from interested parties who support the Plan.

6. A hearing shall be held at 1:30 P.M. on October 2, 2015 in Bankruptcy Courtroom A, 6400 Robert C. Byrd United States Courthouse, 300 Virginia Street, Charleston, West Virginia, to consider and act upon confirmation of the Debtor's Modified Amended Chapter 11 Plan of Reorganization and any objection thereto timely filed with the Court.

ENTERED: AUG 26 2015



RONALD G. PEARSON, JUDGE